

MINUTES OF DECEMBER 2, 2002

COMMISSION CONFERENCE

COMMENCED: 9:35 a.m.

ADJOURNED: 3:30 p.m.

COMMISSIONERS PARTICIPATING: Chairman Jaber
Commissioner Deason
Commissioner Baez
Commissioner Palecki
Commissioner Bradley

Parties were allowed to address the Commission on items designated by double asterisks (**).

1Approval of Minutes

November 5, 2002 Regular Commission Conference

DECISION: The minutes were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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Consent Agenda

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Services, Inc. (holder of IXC Certificate No. 7290) and XO Florida, Inc. (holder of IXC Certificate No. 3505 and ALEC Certificate No. 5648) from XO Communications, Inc., debtor-in-possession, to a reorganized XO Communications, Inc., controlled by High River Limited Partnership.

RECOMMENDATION: The Commission should approve the action requested in the dockets referenced above and close these dockets.

DECISION: The recommendation was approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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2ADocket No. 020953-EI - Petition to determine need for Hines
Unit 3 in Polk County by Florida Power Corporation.

Critical Date(s): 12/3/02 (Hearing begins.)

Commissioners Assigned: Jaber, Deason, Baez, Bradley
Prehearing Officer: Baez

Staff: GCL: Harris
ECR: Colson

ISSUE 1: Should the Commission grant Florida Power
Corporation's Motion for Reconsideration to the Full
Commission?

RECOMMENDATION: No. The Commission should deny the Motion
for Reconsideration. FPC has not demonstrated the
Prehearing Officer misapprehended or overlooked any point of
fact or law such that his Order is clearly mistaken.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. The docket should remain open.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Bradley

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3**Docket No. 021006-TP - Petition for expedited enforcement of interconnection agreement with Verizon Florida Inc. by Teleport Communications Group, Inc. and TCG South Florida.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Deason

Staff: GCL: Christensen
CMP: Dowds, Simmons

ISSUE 1: Should Verizon Florida Inc.'s Motion to Dismiss Teleport Communications Group, Inc. and TCG South Florida's Confidential Petition for Expedited Enforcement of an Interconnection Agreement be granted?

RECOMMENDATION: Yes. The Commission should grant Verizon Florida Inc.'s Motion to Dismiss Teleport Communications Group, Inc. and TCG South Florida's Confidential Petition for Expedited Enforcement of an Interconnection Agreement.

ISSUE 2: Should the docket be closed?

RECOMMENDATION: Yes. If the Commission approves staff's recommendation on Issue 1, then this docket should be closed.

DECISION: The recommendations were approved. Staff was directed to include language in the order that the Commission continues to encourage arbitration and negotiation and encourages the parties to comply with all orders to preserve the integrity of that process. Commissioner Palecki dissented.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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4**Docket No. 021056-TI - Complaint of Timothy McGibbons against AT&T Communications of the Southern States, LLC d/b/a Lucky Dog Phone Co. d/b/a ACC Business d/b/a SmarTalk d/b/a Unispeaksm Service d/b/a www.prepaidserviceguide.com d/b/a CONQUEST for alleged improper billing of international toll charges incurred via Internet use.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: GCL: Christensen
CAF: Plescow
CMP: Kennedy

ISSUE 1: Should the Commission dismiss Complaint No. 368480T, Complaint of Timothy McGibbons against AT&T for alleged improper billing of international toll charges incurred for Internet use?

RECOMMENDATION: Yes. Complaint No. 368480T, Complaint of Timothy McGibbons against AT&T for alleged improper billing of international toll charges incurred for Internet use, should be dismissed for lack of standing by the complainant and lack of subject matter jurisdiction.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: If the Commission approves staff's recommendation on Issue 1, then this docket should be closed.

DECISION: This item was deferred.

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5**Docket No. 020009-WU - Complaint by Mrs. Georgina Giallanza against Florida Water Services Corporation regarding non-provision of service and placement of utility facilities in Lake County. (Deferred from July 9, 2002 conference; revised recommendation filed.)

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Baez

Staff: GCL: Brubaker
CAF: Lowery
ECR: Redemann

ISSUE 1: Does the complaint filed by Ms. Georgina Giallanza against Florida Water Services Corporation state a basis upon which relief may be granted by the Florida Public Service Commission?

RECOMMENDATION: No. The complaint does not state a basis upon which relief may be granted. Staff therefore recommends that the complaint should be dismissed ~~without prejudice~~ on the Commission's own motion and that the docket should be closed.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. If the Commission votes to approve staff's recommendation herein, no further action is necessary and the docket should be closed upon issuance of the Order.

DECISION: The recommendations were approved with the noted deletion of language in Issue 1. Commissioner Palecki concurred in part and dissented in part.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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6Docket No. 020413-SU - Initiation of show cause proceedings against Aloha Utilities, Inc. in Pasco County for failure to charge approved service availability charges, in violation of Order No. PSC-01-0326-FOF-SU and Section 367.091, Florida Statutes. (Deferred from November 5, 2002 conference.)

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Deason

Staff: GCL: Gervasi
ECR: Fletcher, Merchant, Willis

ISSUE 1: Should Aloha's Requests for Oral Argument on its Motion for Clarification, Motion for Reconsideration, and Response to Show Cause Order be granted?

RECOMMENDATION: No. The Requests for Oral Argument should be denied. As such, it is unnecessary for the parties to participate on Issues 2 and 4. Adam Smith's Motion to Strike Aloha's Request for Oral Argument should be considered as a Response but need not be ruled upon. Moreover, because no request for oral argument was filed regarding Aloha's Motion for Emergency Relief, oral argument should not be permitted on Issue 3. Nor should oral argument be permitted on this issue, as there is no right to oral argument on a request for oral argument. In sum, it is unnecessary for the parties to participate on this staff recommendation at the agenda conference.

DECISION: The recommendation was denied. Oral argument was granted on all issues.

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Docket No. 020413-SU - Initiation of show cause proceedings against Aloha Utilities, Inc. in Pasco County for failure to charge approved service availability charges, in violation of Order No. PSC-01-0326-FOF-SU and Section 367.091, Florida Statutes. (Deferred from November 5, 2002 conference.)

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ISSUE 2: Should Aloha's Amended Motion for Clarification and Motion for Reconsideration of Order No. PSC-02-1250-SC-SU be granted?

RECOMMENDATION: No. Aloha's Amended Motion for Clarification and Motion for Reconsideration should be denied. Moreover, Adam Smith's Motion to Strike Aloha's Motions for Clarification should be considered as a Response to Aloha's Amended Motion but need not be ruled upon.

DECISION: The recommendation was approved with modification that the Commission acknowledged Aloha's withdrawal of its motion for clarification.

ISSUE 3: Should Aloha's Motion for Emergency Relief be granted?

RECOMMENDATION: Yes. The Motion for Emergency Relief should be granted. Aloha should be required to establish an escrow agreement with an independent financial institution, under the terms set forth in the analysis portion of staff's October 24, 2002 memorandum. Should a refund be required, the refund should be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code. Aloha should not attempt to disconnect any existing customer from service as a result of any developer's failure to pay any backbilled amount subject to refund pending resolution of the protests.

DECISION: The recommendation was approved.

ISSUE 4: Should the relief requested by Aloha's Response to Show Cause Order No. PSC-02-1250-SC-SU be granted?

RECOMMENDATION: No. The relief requested in Aloha's Response to Show Cause Order No. PSC-02-1250-SC-SU, including the alternative relief that the fine be lowered to

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Docket No. 020413-SU - Initiation of show cause proceedings against Aloha Utilities, Inc. in Pasco County for failure to charge approved service availability charges, in violation of Order No. PSC-01-0326-FOF-SU and Section 367.091, Florida Statutes. (Deferred from November 5, 2002 conference.)

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\$2,500, should be denied and the \$10,000 fine should be deemed assessed with no further action required by the Commission. Aloha should be required to remit the full amount of the fine within 90 days from the issuance date of the Order arising from this recommendation.

DECISION: The recommendation was approved.

ISSUE 5: Should this docket be closed?

RECOMMENDATION: No. This docket should remain open pending final resolution of the protests filed to the PAA portions of Order No. PSC-02-1250-SC-SU.

DECISION: The recommendation was approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

ITEM NO.

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7Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Baez

Staff: CMP: T. Brown, King, J. E. Brown, Cater, Davis, Dowds, Marsh, Wright
ECR: Kenny, P. Lee, Lester
GCL: Christensen, Knight

ISSUE 1: What factors should the Commission consider in establishing rates and charges for UNEs (including deaveraged UNEs and UNE combinations)?

RECOMMENDATION: UNE rates should be set using the forward-looking cost standards authorized by Section 252(d)(1) of the 1996 Telecommunications Act, the FCC's rules and orders implementing that section of the Act, and the court decisions that affect those rules and orders.

DECISION: The recommendation was approved.

ISSUE 2(a): What is the appropriate methodology to deaverage UNEs and what is the appropriate rate structure for deaveraged UNEs?

RECOMMENDATION: Staff recommends that Alternative 1, the four-zone deaveraging proposal discussed in the analysis portion of staff's October 2, 2002 memorandum, modified as necessary to acknowledge use of Commission-ordered loop costs, be adopted. Staff's recommended assignment of wire centers to rate zones is shown in Appendix B.

DECISION: The recommendation was approved with the modification that Alternative 4 is accepted as resolution of this issue. Additionally, staff was directed to consider whether the 20% criteria is appropriate on a going-forward basis.

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ISSUE 2(b): For which of the following UNEs should the Commission set deaveraged rates?

- (1) Loops (all);
- (2) local switching;
- (3) interoffice transport (dedicated and shared);
- (4) other (including combinations).

RECOMMENDATION: Staff recommends that the recurring costs of all varieties of loops and subloops below DS3, and combinations containing such loops, should be deaveraged.

DECISION: The recommendation was approved.

ISSUE 3(a): What are xDSL-capable loops?

ISSUE 3(b): Should a cost study for xDSL-capable loops make distinctions based on loop length and/or the particular DSL technology to be deployed?

RECOMMENDATION: For the purposes of this proceeding, xDSL-capable loops are all copper loops that do not contain any impediments such as repeaters, load coils, or excessive bridged tap. Moreover, while it may be reasonable for loop prices to vary by loop length, it is not necessary that a cost study for copper-based xDSL-capable loops make distinctions based on loop length or the particular DSL technology an ALEC intends to put on the loop.

DECISION: The recommendation was approved.

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ISSUE 4(a): Which subloop elements, if any, should be unbundled in this proceeding, and how should prices be set?

RECOMMENDATION: Staff recommends that Sprint-Florida, Incorporated (Sprint) unbundle feeder and distribution subloop elements. Sprint should also provide any other technically feasible subloop elements requested by ALECs on an individual case basis.

DECISION: The recommendation was approved.

ISSUE 4(b): How should access to such subloop elements be provided, and how should prices be set?

RECOMMENDATION: Staff recommends that Sprint should be required to provide access to subloop elements at any technically feasible point. Due to the fact that Sprint does not have any experience in providing access to subloops, and does not propose any rates for access to subloop elements, prices for access to subloop elements should be on an individual case basis. Staff also recommends that these prices be TELRIC-based and be filed with this Commission in the appropriate interconnection agreements or amendments to such agreements.

DECISION: The recommendation was approved.

ISSUE 5: For which signaling networks and call-related databases should rates be set?

RECOMMENDATION: The parties agree with Sprint's position on this issue. Therefore, staff recommends that rates should be set for the call-related database items proposed by Sprint.

DECISION: The recommendation was approved.

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ISSUE 6: Under what circumstances, if any, is it appropriate to recover non-recurring costs through recurring rates?

RECOMMENDATION: Staff recommends that the inclusion of non-recurring costs in recurring rates should be considered where the resulting level of nonrecurring charges would constitute a barrier to entry.

DECISION: The recommendation was approved.

ISSUE 7(a): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

(a) Network design (including customer location assumptions).

RECOMMENDATION: Staff recommends that the network design reflected in the SLCM be accepted for purposes of establishing recurring UNE rates in this proceeding, subject to staff's adjustments in other issues.

DECISION: The recommendation was approved.

ISSUE 7(b): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

(b) Depreciation.

RECOMMENDATION: The appropriate lives and net salvage values to be used in the development of Sprint's forward-looking recurring unbundled network element (UNE) cost studies are those proposed by Sprint as shown on Table 7(b)-1 of staff's October 2, 2002 memorandum.

DECISION: The recommendation was approved.

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7	<p>Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)</p> <p>(Continued from previous page)</p> <p><u>ISSUE 7(c)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(c) Cost of capital.</p> <p><u>RECOMMENDATION</u>: For Sprint, the appropriate cost of capital is 9.86% based on a cost rate for common equity of 11.49%, a debt cost rate of 7.43%, and a capital structure consisting of 60% equity and 40% debt.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 7(d)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(d) Tax rates.</p> <p><u>RECOMMENDATION</u>: The appropriate inputs for Florida-specific tax rates should be as follows: a combined (composite) federal and state income tax rate of 38.58%, an ad valorem tax rate of 0.72%, and a Regulatory Assessment Fee rate of 0.15%.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 7(e)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(e) Structure sharing.</p> <p><u>RECOMMENDATION</u>: The appropriate assumptions and inputs for structure sharing should be 90 percent for buried and underground feeder and distribution cables, and 31 percent for poles as proposed by Sprint.</p> <p><u>DECISION</u>: The recommendation was approved.</p>

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ISSUE 7(f): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

(f) Structure costs.

RECOMMENDATION: Staff believes the assumptions and inputs for structure costs proposed by Sprint are appropriate and recommends that they be used in conjunction with staff's recommended changes in all other applicable issues.

DECISION: The recommendation was approved.

ISSUE 7(g): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

(g) Fill factors.

RECOMMENDATION: The appropriate assumptions and inputs for fill factors in the forward-looking UNE cost studies should be those fills filed by Sprint.

DECISION: The recommendation was approved.

ISSUE 7(h): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

(h) Manholes.

RECOMMENDATION: Staff believes the assumptions and inputs for manholes proposed by Sprint are appropriate and recommends that they be used in conjunction with staff's recommended changes in all other applicable issues.

DECISION: The recommendation was approved.

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ISSUE 7(i) and (j): What are the appropriate assumptions and inputs for the following items to be used in the forward-looking recurring UNE cost studies?

- (i) Fiber cable (material and placement costs);
- (j) copper cable (material and placement costs).

RECOMMENDATION: The appropriate assumptions and inputs for fiber and copper cable material and placement costs to be used in the forward-looking recurring cost studies considered in this proceeding are those proposed by Sprint. Additionally, these assumptions and inputs should incorporate recommended adjustments in all other applicable issues.

DECISION: The recommendation was approved.

ISSUE 7(k): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

- (k) Drops.

RECOMMENDATION: Staff recommends that the appropriate assumptions and inputs to be used in the forward-looking recurring UNE cost studies for drops are those proposed by Sprint.

DECISION: The recommendation was approved.

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7	<p>Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)</p> <p>(Continued from previous page)</p> <p><u>ISSUE 7(l)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(l) Network interface devices.</p> <p><u>RECOMMENDATION</u>: Staff recommends that the appropriate assumptions and inputs to be used in the forward-looking recurring UNE cost studies for network interface devices (NIDs) are those proposed by Sprint.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 7(m)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(m) Digital loop carrier costs.</p> <p><u>RECOMMENDATION</u>: Staff recommends the appropriate assumptions and inputs to be used in the forward-looking recurring UNE cost studies for digital loop carrier costs are those proposed by Sprint.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 7(n)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(n) Terminal costs.</p> <p><u>RECOMMENDATION</u>: Staff believes the assumptions and inputs for terminal costs proposed by Sprint are appropriate and recommends that they be used in conjunction with staff's recommended changes in other applicable issues.</p> <p><u>DECISION</u>: The recommendation was approved.</p>

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7	<p>Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)</p> <p>(Continued from previous page)</p> <p><u>ISSUE 7(o)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(o) Switching costs and associated variables.</p> <p><u>RECOMMENDATION</u>: The appropriate assumptions and inputs for switching costs and associated variables to be used in the forward-looking recurring UNE cost studies are those proposed by Sprint. Sprint's assumptions and inputs are forward-looking and indicative of switching that Sprint can and would use, both currently and prospectively. In addition, this recommendation should incorporate staff's recommended changes in all other applicable issues.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 7(p)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(p) Traffic data.</p> <p><u>RECOMMENDATION</u>: The appropriate assumptions and inputs are those recommended by Sprint.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 7(q)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(q) Signaling system costs.</p> <p><u>RECOMMENDATION</u>: Staff recommends that Sprint's proposed SS7 rates and rate structure be accepted, subject to changes that result from changes to specific inputs that are addressed in other issues.</p> <p><u>DECISION</u>: The recommendation was approved.</p>

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ISSUE 7(r): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

(r) Transport system costs and associated variables.

RECOMMENDATION: Staff recommends that Sprint's assumptions and inputs for transport system costs and associated variables be accepted for purposes of establishing recurring UNE rates in this proceeding, subject to staff's adjustments in other issues.

DECISION: The recommendation was approved.

ISSUE 7(s): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

(s) Loadings.

RECOMMENDATION: Staff recommends that Sprint's loading factors be accepted for purposes of establishing recurring UNE rates in this proceeding, subject to staff's adjustments in other issues.

DECISION: The recommendation was approved.

ISSUE 7(t): What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?

(t) Expenses.

RECOMMENDATION: Staff recommends that Sprint's expense inputs be accepted for purposes of this proceeding.

DECISION: The recommendation was approved.

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7	<p>Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)</p> <p>(Continued from previous page)</p> <p><u>ISSUE 7(u)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(u) Common costs.</p> <p><u>RECOMMENDATION</u>: Staff recommends that Sprint's expense inputs be accepted for purposes of this proceeding.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 7(v)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking recurring UNE cost studies?</p> <p>(v) Other.</p> <p><u>RECOMMENDATION</u>: All matters raised by the parties have been addressed in other issues. Accordingly, no action is needed with regard to this issue.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 8(a), (b), and (e)</u>: What are the appropriate assumptions and inputs for the following items to be used in the forward-looking non-recurring UNE cost studies?</p> <p>(a) Network design;</p> <p>(b) OSS design;</p> <p>(e) mix of manual versus electronic activities.</p> <p><u>RECOMMENDATION</u>: The appropriate assumptions and inputs to be used in the forward-looking non-recurring UNE studies for determining network design, OSS design, and the mix of manual versus electronic activities are those set forth by Sprint. In addition, these assumptions and inputs should be tempered by considerations of what is reasonably achievable.</p> <p><u>DECISION</u>: The recommendation was approved.</p>

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7	<p>Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)</p> <p>(Continued from previous page)</p> <p><u>ISSUE 8(c)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking non-recurring UNE cost studies?</p> <p>(c) Labor rates.</p> <p><u>RECOMMENDATION</u>: The appropriate assumptions and inputs for labor rates to be used in the forward-looking non-recurring UNE cost studies should be the labor rates proposed by Sprint.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 8(d)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking non-recurring UNE cost studies?</p> <p>(d) Required activities.</p> <p><u>RECOMMENDATION</u>: The appropriate assumptions and inputs for the required activities included in Sprint's Non-Recurring Cost (NRC) study are those recommended by Sprint.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 8(f)</u>: What are the appropriate assumptions and inputs for the following item to be used in the forward-looking non-recurring UNE cost studies?</p> <p>(f) Other.</p> <p><u>RECOMMENDATION</u>: All matters raised by the parties have been addressed in other issues. Accordingly, no action is needed with regard to this issue.</p> <p><u>DECISION</u>: There was no vote on this issue.</p>

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ISSUE 9(a): What are the appropriate recurring rates (averaged or deaveraged as the case may be) and non-recurring charges for each of the following UNEs?

- (1) 2-wire voice grade loop;
- (2) 4-wire analog loop;
- (3) 2-wire ISDN/DSL loop;
- (4) 2-wire xDSL-capable loop;
- (5) 4-wire xDSL-capable loop;
- (6) 4-wire 56 kbps loop;
- (7) 4-wire 64 kbps loop;
- (8) DS-1 loop;
- (9) high capacity loops (DS3 and above);
- (10) dark fiber loop;
- (11) subloop elements (to the extent required by the Commission in Issue 4);
- (12) network interface devices;
- (13) circuit switching (where required);
- (14) packet switching (where required);
- (15) shared interoffice transmission;
- (16) dedicated interoffice transmission;
- (17) dark fiber interoffice facilities;
- (18) signaling networks and call-related databases;
- (19) OS/DA (where required).

RECOMMENDATION: Staff's recommended recurring and non-recurring rates are contained in Appendix A of its October 2, 2002 memorandum.

DECISION: The recommendation was approved.

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7	<p>Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)</p> <p>(Continued from previous page)</p> <p><u>ISSUE 9(b)</u>: Subject to the standards of the FCC's Third Report and Order, should the Commission require ILECs to unbundle any other elements or combinations of elements? If so, what are they and how should they be priced?</p> <p><u>RECOMMENDATION</u>: No. There are no other elements or combinations of elements that the Commission should require ILECs to unbundle at this time.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 10</u>: What is the appropriate rate, if any, for customized routing?</p> <p><u>RECOMMENDATION</u>: Staff believes that the customized routing rates proposed by Sprint are appropriate.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 11(a)</u>: What is the appropriate rate, if any, for line conditioning, and in what situations should the rate apply?</p> <p><u>RECOMMENDATION</u>: The appropriate rates for line conditioning are those recommended by staff in Appendix A of its October 2, 2002 memorandum.</p> <p><u>DECISION</u>: The recommendation was approved.</p> <p><u>ISSUE 11(b)</u>: What is the appropriate rate, if any, for loop qualification information, and in what situations should the rate apply?</p> <p><u>RECOMMENDATION</u>: Staff recommends that the Commission require Sprint to implement an electronic loop qualification offering. Because the record lacks information on how significant an undertaking this may be, staff suggests that Sprint be required to report within 60 days of the order in this docket becoming final, when and how it will have an electronic loop qualification offering in place. Until an</p>

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Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)

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electronic interface is in place, those ALECs that require loop qualification information should not be subject to a manual loop make-up charge of \$37.55; rather, the ALECs should be charged an interim rate of \$5.90.

Once comparable access is provided, the interim rate of \$5.90 should be reevaluated and adjusted accordingly. Furthermore, once an electronic loop qualification process is in place, the ALEC community should be provided with the option of obtaining the information manually or electronically. At that time, the rate for the manual loop qualification process should be that proposed by Sprint in this proceeding.

DECISION: The recommendation was approved.

ISSUE 12(a) and (b): Without deciding the situations in which such combinations are required, what are the appropriate recurring and non-recurring rates for the following UNE combinations:

- (a) "UNE platform" consisting of: loop (all), local (including packet, where required) switching (with signaling), and dedicated and shared transport (through and including local termination)?
- (b) "Extended links," consisting of:
 - (1) loop, DSO/1 multiplexing, DS1 interoffice transport;
 - (2) DS1 loop, DS1 interoffice transport;
 - (3) DS1 loop, DS1/3 multiplexing, DS3 interoffice transport?

RECOMMENDATION: The appropriate recurring and nonrecurring rates for UNE combinations are those recommended by staff in Appendix A of its October 2, 2002 memorandum.

DECISION: The recommendation was approved.

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CASE

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Docket No. 990649B-TP - Investigation into pricing of unbundled network elements (Sprint/Verizon track). (Deferred from October 14, 2002 special conference; revised pages filed.)

(Continued from previous page)

ISSUE 13: When should the recurring and non-recurring rates and charges take effect?

RECOMMENDATION: Staff recommends that recurring and non-recurring rates and charges should take effect when existing interconnection agreements are amended to incorporate the approved rates, and the amended agreements are deemed approved by the Commission. For new interconnection agreements, the rates shall become effective when the agreements are deemed approved by the Commission. Pursuant to Section 252(e)(4) of the Telecommunications Act of 1996, a negotiated agreement is deemed approved by operation of law after 90 days from the date of submission to the Commission.

DECISION: The recommendation was approved.

ISSUE 14: Should this docket be closed?

RECOMMENDATION: Yes. If the Commission approves staff's recommendations in Issues 1 - 13, this docket should be closed after the time for filing an appeal has run.

DECISION: The recommendation was approved with the modification that the docket is to remain open to receive documentation required in Issue 11(b).

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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ITEM NO.

CASE

8**PAADocket No. 000121A-TP - Investigation into the establishment of operations support systems permanent performance measures for incumbent local exchange telecommunications companies. (BELLSOUTH TRACK)

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Palecki

Staff: CMP: Harvey, Hallenstein, Vinson
GCL: Dodson

ISSUE 1: Should the Commission order BellSouth to implement the revisions to the Performance Assessment Plan that were agreed upon by the parties in the six-month review process?

RECOMMENDATION: Yes. Staff recommends that BellSouth be ordered to implement the proposed changes to the Performance Assessment Plan as reflected in Attachments 1 and 2 of staff's November 20, 2002 memorandum.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. If no person whose substantial interests are affected files a protest within 21 days of the issuance date of the Order, the Order will become final upon the issuance of a Consummating Order. The docket should remain open to conduct the periodic six month reviews of the performance assessment plan outlined in Order No. PSC-01-1819-FOF-TP.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

ITEM NO.

CASE

9**Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Docket No. 020701-TI - O1 Communications of Florida, LLC
Docket No. 020729-TI - Eureka Telecom, LLC
Docket No. 020734-TI - Summit Telco, L.L.C.
Docket No. 020750-TI - Quick Tel, Inc.
Docket No. 020755-TI - NTERA, Inc.
Docket No. 020680-TI - Telcom.Net, Inc.
Docket No. 020715-TI - Natel, L.L.C.
Docket No. 020673-TI - QAI, Inc. d/b/a Long Distance Billing
Docket No. 020690-TI - Long Distance America, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Teitzman, Dodson, Knight, Elliott

ISSUE 1: Should the Commission accept the settlement offer proposed by each company listed on Attachment A of staff's November 20, 2002 memorandum to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?
RECOMMENDATION: Yes. The Commission should accept each company's respective settlement proposal, as listed on Attachment A. Any contribution should be received by the Commission within fourteen (14) calendar days from the date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment A fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment A, is cancelled in accordance with the Commission's Order from

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CASE

9**

Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

(Continued from previous page)

this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier service in Florida.

ISSUE 2: Should the Commission accept the settlement offer proposed by each company listed on Attachment B of staff's November 20, 2002 memorandum to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should accept each company's respective settlement proposal, as listed on Attachment B. Any contribution should be received by the Commission within fourteen (14) calendar days from the date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment B fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment B, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier service in Florida.

ISSUE 3: Should the Commission accept the settlement offer proposed by each company listed on Attachment C of staff's November 20, 2002 memorandum to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should accept each company's respective settlement proposal, as listed on Attachment C. Any contribution should be received by the Commission within fourteen (14) calendar days from the date

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9**

Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

(Continued from previous page)

of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment C fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment C, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier service in Florida.

ISSUE 4: Should these dockets be closed?

RECOMMENDATION: If the Commission approves staff's recommendation on Issues 1, 2, and 3, the docket for each company listed on the attachments should be closed upon receipt of the specified contribution or cancellation of the certificates.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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ITEM NO.

CASE

10**Docket No. 020804-TC - Cancellation by Florida Public Service Commission of PATS Certificate No. 7388 issued to LoneStar Telcom, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Dodson

ISSUE 1: Should the Commission accept the settlement offer proposed by LoneStar Telcom, Inc. to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.505, Florida Administrative Code?
RECOMMENDATION: Yes. The Commission should accept the company's settlement proposal. Any contribution should be received by the Commission within fourteen (14) calendar days from the date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If the company fails to pay in accordance with the terms of the Commission Order, Certificate No. 7388 should be canceled administratively. If LoneStar Telcom, Inc.'s certificate is cancelled in accordance with the Commission's Order from this recommendation, LoneStar Telcom, Inc. should be required to immediately cease and desist providing pay telephone service in Florida.

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<u>ITEM NO.</u>	<u>CASE</u>
10**	<p>Docket No. 020804-TC - Cancellation by Florida Public Service Commission of PATS Certificate No. 7388 issued to LoneStar Telcom, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.</p> <p>(Continued from previous page)</p> <p><u>ISSUE 2:</u> Should this docket be closed?</p> <p><u>RECOMMENDATION:</u> If the Commission approves staff's recommendation in Issue 1, this docket should be closed upon receipt of the \$100 contribution or cancellation of the certificate.</p> <p><u>DECISION:</u> The recommendations were approved.</p> <p>Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley</p>

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ITEM NO.

CASE

11**Cancellation by Florida Public Service Commission of ALEC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Docket No. 020584-TX - Maxcess, Inc.

Docket No. 020620-TX - Direct2Internet Corp.

Docket No. 020634-TX - NTERA, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: Elliott, Knight, Teitzman

ISSUE 1: Should the Commission accept the settlement offer proposed by each company listed on Attachment A of staff's November 20, 2002 memorandum to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.835, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should accept each company's respective settlement proposal, as listed on Attachment A. Any contribution should be received by the Commission within fourteen (14) calendar days from the date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment A fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment A, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing alternative local exchange carrier service in Florida.

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<u>ITEM NO.</u>	<u>CASE</u>
11**	<p>Cancellation by Florida Public Service Commission of ALEC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.</p> <p>(Continued from previous page)</p> <p><u>ISSUE 2:</u> Should these dockets be closed?</p> <p><u>RECOMMENDATION:</u> If the Commission approves staff's recommendation on Issue 1, the docket for each company listed on Attachment A should be closed upon receipt of the \$100 contribution or cancellation of the certificate.</p> <p><u>DECISION:</u> The recommendations were approved.</p> <p>Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley</p>

ITEM NO.

CASE

12**Cancellation by Florida Public Service Commission of PATS certificates for violation of Rules 25-24.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies, and 25-24.520, F.A.C., Reporting Requirements.

Docket No. 020514-TC - Carlton Palms Condominium Association, Inc.

Docket No. 020803-TC - Donatella Communications LLC

Critical Date(s): None

Commissioners Assigned: Full Commission

Prehearing Officer: Administrative

Staff: CMP: Isler

GCL: Teitzman, Dodson

ISSUE 1: Should the Commission accept the settlement offers proposed by the companies as listed on Attachment A of staff's November 20, 2002 memorandum to resolve the apparent violation of Rules 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.505, Florida Administrative Code, and 25-24.520(1)(a) and (b), Florida Administrative Code, Reporting Requirements?

RECOMMENDATION: Yes. The Commission should accept each company's respective settlement proposal, as listed on Attachment A. Any contribution should be received by the Commission within fourteen (14) calendar days from the date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment A fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment A, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing pay telephone service in Florida.

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<u>ITEM NO.</u>	<u>CASE</u>
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12**	Cancellation by Florida Public Service Commission of PATS certificates for violation of Rules 25-24.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies, and 25-24.520, F.A.C., Reporting Requirements.
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ISSUE 2: Should these dockets be closed?

RECOMMENDATION: If the Commission approves staff's recommendation on Issue 1, the docket for each company listed on Attachment A should be closed upon receipt of the \$200 contribution or cancellation of the certificate.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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<u>ITEM NO.</u>	<u>CASE</u>
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13**Docket No. 020765-TC - Cancellation by Florida Public Service Commission of PATS Certificate No. 3036 issued to Tel Con Resources, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Dodson

ISSUE 1: Should the Commission grant Tel Con Resources, Inc. a voluntary cancellation of Pay Telephone Certificate No. 3036 to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.505, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should grant the company a voluntary cancellation of its certificate with an effective date of July 22, 2002. If the company's certificate is cancelled in accordance with the Commission's Order from this recommendation, Tel Con Resources, Inc. should be required to immediately cease and desist providing pay telephone service in Florida.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: If the Commission approves staff's recommendation on Issue 1, this docket should be closed upon cancellation of the certificate as no other issues need to be addressed by the Commission.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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CASE

14**PAA Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Docket No. 020674-TI - WORLDtel Interactive Incorporated
Docket No. 020730-TI - Evolution Networks South, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Dodson

ISSUE 1: Should the Commission grant the companies listed on Attachment A of staff's November 21, 2002 memorandum a voluntary cancellation of their respective certificates to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should grant each company a voluntary cancellation of its telecommunications certificate with an effective date as listed on Attachment A. If a company's certificate is cancelled in accordance with the Commission's Order from this recommendation, that company as listed on Attachment A should be required to immediately cease and desist providing interexchange carrier service in Florida.

ISSUE 2: Should these dockets be closed?

RECOMMENDATION: The Order issued from this recommendation will become final upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of

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<u>ITEM NO.</u>	<u>CASE</u>
14**PAA	Cancellation by Florida Public Service Commission of IXC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

(Continued from previous page)

the issuance of the Proposed Agency Action Order. The dockets should then be closed upon cancellation of the certificates. A protest in one docket should not prevent the action in a separate docket from becoming final.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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ITEM NO.

CASE

15**PAA Cancellation by Florida Public Service Commission of ALEC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

Docket No. 020568-TX - TOTALink of Florida, LLC
Docket No. 020601-TX - Eureka Telecom, L.L.C.
Docket No. 020602-TX - Evolution Networks South, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Isler
GCL: Teitzman, Knight

ISSUE 1: Should the Commission grant the companies listed on Attachment A of staff's November 20, 2002 memorandum a voluntary cancellation of their respective certificates to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.835, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should grant each company a voluntary cancellation of its telecommunications certificate with an effective date as listed on Attachment A. If a company's certificate is cancelled in accordance with the Commission's Order from this recommendation, that company as listed on Attachment A should be required to immediately cease and desist providing alternative local exchange carrier service in Florida.

ISSUE 2: Should these dockets be closed?

RECOMMENDATION: The Order issued from this recommendation will become final upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of

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<u>ITEM NO.</u>	<u>CASE</u>
15**PAA	Cancellation by Florida Public Service Commission of ALEC certificates for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

(Continued from previous page)

the issuance of the Proposed Agency Action Order. The dockets should then be closed upon cancellation of the certificates. A protest in one docket should not prevent the action in a separate docket from becoming final.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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ITEM NO.

CASE

16A**Docket No. 020251-TP - Application for approval of transfer of control of XO Communications, Inc., sole shareholder of XO Long Distance Services, Inc., (holder of IXC Certificate No. 7290) and XO Florida, Inc. (holder of IXC Certificate No. 3505 and ALEC Certificate No. 5648), pursuant to corporate restructuring involving the issuance and sale of new common stock from Craig O. McCaw and existing shareholders of XO to shareholders of restructured and recapitalized XO Communications, Inc.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: CMP: Hawkins
GCL: B. Keating

ISSUE 1: Should Order No. PSC-02-0946-PAA-TP issued July 15, 2002, and Order No. PSC-02-1072-CO-TP issued August 8, 2002, be vacated?

RECOMMENDATION: Yes. The Commission should vacate Order No. PSC-02-0946-PAA-TP, issued July 15, 2002, and Order No. PSC-02-1072-CO-TP issued August 8, 2002.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. This docket should be closed upon the issuance of the Commission's vacating Order.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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ITEM NO.

CASE

17**PAADocket No. 021005-EU - Petition for emergency variance from or waiver of individual metering requirement of Rule 25-6.049(5)(a), F.A.C., by Luxury Resorts International, Inc. d/b/a The Atlantic.

Critical Date(s): 12/19/02 (Statutory deadline.)

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: ECR: Baxter, Wheeler
GCL: Echternacht

ISSUE 1: Should the Commission grant Luxury Resorts International, Inc.'s request for waiver of the requirements of Rule 25-6.049(5)(a), Florida Administrative Code?

RECOMMENDATION: Yes. Staff recommends that the requested rule waiver be granted, provided that: (1) LRI allocates the cost of electricity to the individual condominium unit owners using a reasonable apportionment method, as required by Rule 25-6.049(6)(a), Florida Administrative Code; and (2) the waiver is effective only so long as the condominium is operated and licensed as a transient occupancy facility. At such time the condominium is no longer so operated and licensed, LRI must immediately inform the utility, at which time the utility will install individual meters on the occupancy units.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

DECISION: This item was deferred.

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ITEM NO.

CASE

18**Docket No. 991632-WS - Application for original certificate to operate water and wastewater utility in Bay County by Dana Utility Corporation and application for deletion of territory and cancellation of Certificate Nos. 614-W and 529-S.

Critical Date(s): None

Commissioners Assigned: Full Commission
Prehearing Officer: Deason

Staff: ECR: Brady, Jones, Redemann
GCL: Christensen

ISSUE 1: Should the Commission grant Dana Utility Corporation's application to delete its service territory and cancel Certificates Nos. 614-W and 529-S?

RECOMMENDATION: Yes. The utility's request to delete its service territory and to cancel Certificates Nos. 614-W and 529-S should be granted without prejudice. The effective date of the cancellation of certificates should be the date of the Commission vote. The utility should be responsible for filing regulatory assessment fees for 2002, on or before March 31, 2003, as required by Rule 25-30.120(2)(a), Florida Administrative Code.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. Since no further action is necessary, this docket should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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ITEM NO.

CASE

19**Docket No. 020388-WS - Request for approval to increase meter installation fees to conform to current cost in Lake County by Sun Communities Finance, LLC d/b/a Water Oak Utility.

Critical Date(s): 1/2/03 (8-month effective date)

Commissioners Assigned: Full Commission
Prehearing Officer: Deason

Staff: ECR: Merta, Rendell
GCL: Echternacht

ISSUE 1: Should Sun Communities' proposed tariff sheets to increase meter installation fees to \$190 be approved as filed?

RECOMMENDATION: Yes. Second Revised Tariff Sheet Nos. 17.0, 24.0, 16.0, and 22.0, increasing Sun Communities' meter installation fees to \$190, should be approved as filed. The meter installation fee should become effective for connections made on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(2), Florida Administrative Code, if no protest is filed.

ISSUE 2: Should the docket be closed?

RECOMMENDATION: If Issue 1 is approved, the tariffs should become effective on or after the stamped approval date of the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code, provided customers have received notice. If a protest is filed within 21 days of the issuance of the Order, these tariffs should remain in effect with any increase held subject to refund pending resolution of the protest, and the docket should remain open. If no timely protest is filed, this docket should be closed upon the issuance of a Consummating Order.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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ITEM NO.

CASE

20**Docket No. 021024-WU - Request for approval of Fourth Revised Tariff Sheet No. 17.1, to change late fee provisions to assist in reducing late payment amounts and to reduce bad debts to historical level, by Florida Public Utilities Company (Fernandina Beach System) in Nassau County.
Docket No. 021127-EI - Request for approval of Eighth Revised Tariff Sheet No. 22.1 to change late fee provisions to assist in reducing late payment amounts and to reduce bad debts to historical level by Florida Public Utilities Company.

Critical Date(s): 12/5/02 (60-day suspension date)

Commissioners Assigned: Full Commission
Prehearing Officer: Administrative

Staff: ECR: Joyce, Baxter, Merchant
GCL: Jaeger

ISSUE 1: Should the Commission approve FPUC's proposed water and electric tariffs to reflect the addition of a \$5.00 minimum to the late payment charge?

RECOMMENDATION: Yes. The charge should become effective for services rendered on or after the stamped approval date on the tariff sheet, provided the customers have received notice. The revised tariff sheet should be submitted with sufficient time for Commission staff to verify that the tariff is consistent with the Commission's decision, and that the proposed notice to the customers is adequate. Staff should be permitted to administratively approve the tariff sheet upon verification of the above. The utility should provide proof to Commission staff of the date notice was given within 10 days after the date of the notice.

ISSUE 2: Should these dockets be closed?

RECOMMENDATION: If a protest is filed in either docket

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Docket No. 021024-WU - Request for approval of Fourth Revised Tariff Sheet No. 17.1, to change late fee provisions to assist in reducing late payment amounts and to reduce bad debts to historical level, by Florida Public Utilities Company (Fernandina Beach System) in Nassau County.
Docket No. 021127-EI - Request for approval of Eighth Revised Tariff Sheet No. 22.1 to change late fee provisions to assist in reducing late payment amounts and to reduce bad debts to historical level by Florida Public Utilities Company.

(Continued from previous page)

within 21 days of the issuance date of the Order, the tariff should remain in effect with all late payment charges held subject to refund pending resolution of the protest, and the docket should remain open. If no timely protest is filed, the docket should be closed upon the issuance of a Consummating Order.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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<u>ITEM NO.</u>	<u>CASE</u>
21**Docket No.	011632-WU - Application for transfer of Certificate No. 364-W from Linadale Water Company in Marion County to Sunshine Utilities of Central Florida, Inc.
	Critical Date(s): None
	Commissioners Assigned: Full Commission Prehearing Officer: Jaber
	Staff: ECR: Johnson, Kaproth, Walden GCL: Crosby, Helton
	<u>ISSUE 1</u> : Should the utility be ordered to show cause in writing within 21 days why it should not be fined for failure to inform the Commission of lost or destroyed records within ninety days, in violation of Rule 25-30.110(1)(a), Florida Administrative Code? <u>RECOMMENDATION</u> : No. A show cause proceeding should not be initiated.
	<u>ISSUE 2</u> : Should Linadale Water Company be ordered to show cause, in writing within 21 days, why it should not be fined for its apparent violation of Section 367.081, Florida Statutes and Rule 25-30.311, Florida Administrative Code? <u>RECOMMENDATION</u> : No. A show cause proceeding should not be initiated against Linadale for the collection of unapproved tariff charges. Unclaimed refunds and accrued interest in the amount of \$1,424 should be credited to CIAC, pursuant to Rule 25-30.360(8), Florida Administrative Code.
	<u>ISSUE 3</u> : Should Linadale Water Company be ordered to show cause, in writing within 21 days, why it should not be fined for its apparent violation of Section 367.045, Florida Statutes? <u>RECOMMENDATION</u> : No. A show cause proceeding should not be initiated against Linadale for serving outside of its territory. Sunshine has filed an application for amendment of Certificate 364-W to include additional territory. The application for amendment should be processed administratively.
PAA	<u>ISSUE 4</u> : Should the transfer of facilities from Linadale to Sunshine be approved? <u>RECOMMENDATION</u> : Yes. The transfer of facilities from Linadale to Sunshine should be approved. Sunshine's

<u>ITEM NO.</u>	<u>CASE</u>
21**	<p>Docket No. 011632-WU - Application for transfer of Certificate No. 364-W from Linadale Water Company in Marion County to Sunshine Utilities of Central Florida, Inc.</p> <p>(Continued from previous page)</p> <p>Certificate No. 363-W should be amended to include the approved territory of Linadale and Linadale's Certificate No. 364-W should be cancelled. Linadale is current on its 2001 RAFs and annual report. Sunshine is responsible for remitting all future RAFs and annual reports to the Commission. A description of the approved territory proposed to be transferred to Sunshine is appended to staff's November 20, 2002 memorandum as Attachment A.</p>
PAA	<p><u>ISSUE 5:</u> What is the rate base of Linadale Utilities, Inc. at the time of transfer to Sunshine?</p> <p><u>RECOMMENDATION:</u> The rate base, which for transfer purposes reflects the net book value of the water system, is \$1,566 as of November 15, 2001. Sunshine should be put on notice that it is required to maintain the utility's books and records in conformance with the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA).</p> <p><u>ISSUE 6:</u> Should an acquisition adjustment be included in the calculation of rate base?</p> <p><u>RECOMMENDATION:</u> No. Sunshine has not requested an acquisition adjustment and there are no extraordinary circumstances in this case to warrant the inclusion of an acquisition adjustment. Staff recommends that no acquisition adjustment should be included in the calculation of rate base.</p> <p><u>ISSUE 7:</u> Should Linadale's approved rates and charges continue to be charged by Sunshine to the customers acquired from Linadale?</p> <p><u>RECOMMENDATION:</u> Yes. Sunshine should continue charging the approved Linadale rates and charges to the customers in the Linadale service territory until authorized to change by the Commission in a subsequent proceeding. The tariff reflecting the change in ownership should be effective for services provided or connections made on or after the stamped approval date on the tariff sheets.</p>

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<u>ITEM NO.</u>	<u>CASE</u>
21**	Docket No. 011632-WU - Application for transfer of Certificate No. 364-W from Linadale Water Company in Marion County to Sunshine Utilities of Central Florida, Inc.

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ISSUE 8: Should this docket be closed?

RECOMMENDATION: Yes. If no timely protest is received to the proposed agency action issues, upon the expiration of the protest period a Consummating Order should be issued and the docket should be closed.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Baez, Palecki, Bradley

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21ADocket No. 000075-TP - Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996.

Critical Date(s): None

Commissioners Assigned: Jaber, Deason, Baez, Palecki
Prehearing Officer: Jaber

Staff: GCL: Banks, Dodson, B. Keating
CMP: Marsh, Dowds, Simmons

ISSUE A: Should the Commission grant AT&T/TCG/AT&T Broadband's Request for Oral Argument on its Motion for Reconsideration of Order No. PSC-02-1248-FOF-TP?

RECOMMENDATION: No. Pursuant to Rule 25-22.060(1)(f), Florida Administrative Code, oral argument on any post-hearing motion for reconsideration may be granted solely at the Commission's discretion. In this instance, staff believes that oral argument will not aid the Commission in evaluating issues before it.

ISSUE 1: Should the Commission grant the various Motions for Reconsideration filed regarding the tandem interconnection rate and definition of "comparable geographic area" in Order No. PSC-02-1248-FOF-TP?

RECOMMENDATION: No. The Motions have not identified a point of fact or law which was overlooked or which the Commission failed to consider in rendering its decision. Therefore, the Motions for Reconsideration regarding the tandem interconnection rate and definition of "comparable geographic area" in Order No. PSC-02-1248-FOF-TP should be denied.

ISSUE 2: Should the Commission grant the various Motions for Reconsideration filed regarding assignment of telephone numbers and the related intercarrier compensation in Order No. PSC-02-1248-FOF-TP?

RECOMMENDATION: No. The Motions have not identified a point of fact or law which was overlooked or which the Commission failed to consider in rendering its decision. Therefore, the Motions for Reconsideration regarding assignment of

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Docket No. 000075-TP - Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996.

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telephone numbers and the related intercarrier compensation in Order No. PSC-02-1248-FOF-TP should be denied.

ISSUE 3: Should the Commission grant the various Motions for Reconsideration regarding the definition of local calling area defined by Order No. PSC-02-1248-FOF-TP?

RECOMMENDATION: Yes. The Motions have identified a point of fact or law which was overlooked or which the Commission failed to consider in rendering its decision. Therefore, the Motions for Reconsideration regarding the definition of local calling area established by Order No. PSC-02-1248-FOF-TP should be granted. Staff recommends that no default option specifying the applicable local calling scope for purposes of intercarrier compensation should be set at this time.

ISSUE 4: Should the Commission grant the various Motions for Reconsideration regarding the ruling requiring the originating carrier to bear all the cost of transport to a distant point of interconnection in Order No. PSC-02-1248-FOF-TP?

RECOMMENDATION: No. The Motions have not identified a point of fact or law which was overlooked or which the Commission failed to consider in rendering its decision. Therefore, the Motions for Reconsideration regarding the ruling requiring the originating carrier to bear all the cost of transport to a distant point of interconnection in Order No. PSC-02-1248-FOF-TP should be denied. However, staff believes the Commission should clarify and emphasize that this Commission's ruling will remain in effect only until such time as the FCC makes a definitive ruling on this issue. In addition, staff believes that the Commission should clarify that the point of interconnection designated by the ALEC, to which the originating carrier has the responsibility for delivering its traffic, must be within the ILEC's network.

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ISSUE 5: Should Verizon's Motion to Strike GNAP's Notice of Adoption be granted?

RECOMMENDATION: Yes. GNAPs' Notice of Adoption appears to be an untimely Motion for Reconsideration or Response to a Motion. It is not otherwise contemplated by Commission rules.

ISSUE 6: Should the various requests/motions for stay pending appeal be granted?

RECOMMENDATION: If staff's recommendation in Issue 3 is approved and reconsideration is granted, staff believes that the requests for stay are rendered moot. If, however, the Commission denies staff's recommendation in Issue 3, staff recommends that the requests for stay be denied.

ISSUE 7: Should this docket be closed?

RECOMMENDATION: Yes. If the Commission approves staff's recommendation, no further action would be required.

DECISION: This item was deferred.

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22Docket No. 990649A-TP - Investigation into pricing of unbundled network elements (BellSouth track).

Critical Date(s): None

Commissioners Assigned: Jaber, Deason, Palecki
Prehearing Officer: Jaber

Staff: GCL: B. Keating, Knight
CMP: Marsh, Davis, Dowds, King
ECR: P. Lee

ISSUE 1: Should the Motion for Reconsideration, including the request for clarification, be granted?

RECOMMENDATION: No. AT&T and MCIWorldcom have not demonstrated that the Commission overlooked or made a mistake of fact or law in rendering its decision on the issues presented. Furthermore, staff does not believe clarification of the Commission's decision is warranted.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. Whether the Commission approves or denies staff's recommendation on Issue 1, this Docket should remain open because an administrative appeal of the Commission's decision on AT&T's Petition for Interim Rates was filed on October 3, 2002.

DECISION: The recommendations were approved.

Commissioners participating: Jaber, Deason, Palecki